

FEDERAL COMMUNICATIONS COMMISSION

Washington, D. C. 20554

NOV 21 2001

OFFICE OF
MANAGING DIRECTOR

Bryan Smeathers, President
WMTA AM 1380, Inc.
One WMTA Drive
Post Office Box 973
Central City, Kentucky 42330-0973

Re: Station WMTA AM, Central City, KY, WMTA
AM 1380, Inc.
Fiscal Year 2000 Regulatory Fee
Fee Control No. 0106048835202001

Dear President Smeathers:

This is in response to your request dated May 25, 2001, filed on behalf of WMTA AM 1380, Inc. (WMTA) for a reduction in the \$425.00 fiscal year 2000 regulatory fee paid by WMTA and a refund of the \$106.25 late charge penalty for late payment of the fiscal year regulatory fee.

You argue in the request that the regulatory fee established for Station WMTA AM, a Class D AM station, should be reduced because the city of license population is less than 6,000 and the station reduces its power at dusk to a level such that the station cannot be heard by most of the residents of the county at night. Citing Stations WEKT(AM), WOMI(AM), and WTTL(AM) (which are located in Elkton, Owensboro, and Madisonville, Kentucky, respectively), you maintain that Station WMTA AM paid a higher regulatory fee than do other stations in Kentucky with higher operating power, greater coverage areas, and larger audiences. You also assert that WMTA AM's licensed area of operation is economically distressed and that the radio station has not made a profit in over six years.

The fiscal year 2000 regulatory fee for Station WMTA AM is the fee established for a Class D AM station serving a population of 20,000 to 50,000. *See Assessment and Collection of Regulatory Fees for Fiscal Year 2000, Report and Order*, 15 FCC Rcd 14,478, Attachment F (2000); 47 C.F.R. §1.1153. Based on your contention that the population served by Station WMTA AM had been incorrectly calculated, we requested a population recalculation for Station WMTA AM, which determined that the correct population figure for the station is 25,941. The fee established for Station WMTA AM is therefore correct. Further, you have submitted no information to support your claim of financial hardship. In the absence of such documentation, we find that you have failed to make a compelling showing that the public interest would be served by a reduction of Station WMTA AM's 2000 fiscal year regulatory fee on this basis. *See Implementation of*

Section 9 of the Communications Act, 9 FCC Rcd 5333, 5346 (1994) (the Commission will waive, reduce or defer its regulatory fees in those instances where a petitioner presents a compelling case of financial hardship), *on recon*, 10 FCC Rcd 12759, 12761-12762 (1995) (regulatees can establish financial hardship by submitting information such as a balance sheet and profit and loss statement (audited, if available), a cash flow projection (with an explanation of how calculated), a list of their officers and their individual compensation, together with a list of their highest paid employees, other than officers, and the amount of their compensation, or similar information). Accordingly, we find no basis to support your request for a reduction of the 2000 fiscal year regulatory fees associated with Station WMTA AM.

The Communications Act of 1934, as amended, requires the Commission to assess a late charge penalty of 25 percent on any regulatory fee not paid in a timely manner. It is the obligation of the licensees responsible for regulatory fee payments to ensure that the Commission receives the fee payment no later than the final date on which regulatory fees are due for the year. Your request does not indicate or substantiate that Station WMTA AM met this obligation. Therefore, your request for waiver and refund of the late charge penalty for late payment of the fiscal year 2000 regulatory fees is denied.

We therefore deny your request for a reduction of the fiscal year 2000 regulatory fee, and deny your request for a waiver a refund of the late charge penalty for late payment of the fiscal year regulatory fee. If you have any questions concerning this matter, please contact the Revenue & Receivables Operation Group at (202) 418-1995.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark A. Reger', with a stylized flourish at the end.

Mark A. Reger
Chief Financial Officer

0106048835 202001



BRYAN SMEATHERS ♦ PRESIDENT

ESTABLISHED 1955

May 25, 2001

Attached is a copy of our request for Waiver and Reduction in the annual regulatory fee charged this station.

We request a refund of the \$106.25 penalty as well as a portion of the regulatory fee paid due to the fact this station is not in economically strong area and we are not ourselves in a position to pay such high rates.

Bryan Smeathers
President / Sole Owner



BRYAN SMEATHERS • PRESIDENT

ESTABLISHED 1955

May 25, 2001

Office of the Managing Director
Federal Communications Commission
445 12th Street, S.W., Room 1-A625
Washington, DC 20554
Attn: Regulatory Fee Waiver/Reduction Request

On behalf of WMTA AM 1380, Inc., we do hereby request a reduction in the annual regulatory fee charged this 500 watt day, 23 watt night, radio station based upon the following facts:

1. Our city of license population is less than 6,000 and is not 25,981 as you have listed on page 84 of the 2000 rate notice booklet.

2. Our station reduces its power to less than 25 watts at dusk and can't even be heard by most residents of this county at night.

3. This is primarily a rural area. This area is economically distressed due to the closing of the area coal mines as a result of other federal regulations- "The clean Air Act".

4. This radio station has not made a profit in over six years, as evidenced by our annual tax returns.

5. This radio station continues to strive to provide local radio service as the only locally owned and operated station in this county, however, as a stand-alone AM station


ompeting with the major monopolies which have moved into this area as a result of the Telecom Act of 1996 and with the additional burden of the FCC regulatory fees, the future potential of this station is at risk as is the case with similar stand-alone AM stations in this country.

6. WMTA is having to pay \$175.00 more per year than a area clear channel AM with a much greater coverage area- WEKT AM ELKTON, KY ONLY PAYS \$250.00 per year!!! THEY ARE A CLEAR CHANNEL STATION AND HAVE A MUCH MUCH GREATER COVERAGE AREA AND AUDIENCE THAN WMTA WHICH IS PAYING \$425.00 per year! This is not right.

7. WMTA is having to pay the same as WOMI AM OWENSBORO, KY which is a higher powered station in the third most populated community in Kentucky! This is not right.

8. WMTA is having to pay the same amount as WTTL AM MADISONVILLE, KY which is a much more populated area and WTTL is twice the power as WMTA. This is not right.

We can cite numerous other stations in our region which serve larger population centers and have more operating power than WMTA which are required to pay the same or less than WMTA. There are too many inequities in the methods by which the FCC bases the regulatory fees charged individual stations. Simply charging a set rate for a particular class of station without considering the individual communities served, economic conditions, profitability, etc., is a great injustice to small community stations. We therefore request a reduction in the annual regulatory fee charged WMTA AM 1380.


Bryan Smeathers
President

CC: Congressman Ed Whitfield
Senator Mitch McConnell